



Toll Free: 1-800-548-8829

FOREST EXCISE TAX Reporting Information Timber from Private Land and Public Land

Forest Excise Tax

Timber harvested in the State of Washington is subject to the Forest Excise Tax.

Registration

A Forest Excise Tax Registration Number is an individual account number assigned by the Department of Revenue to identify each harvester. (This is not a UBI number.)

Tax Paid By the Harvester

When timber is harvested from **private** land, the person who owns the timber at the time of the harvest is responsible for the Forest Excise Tax. Contractors performing labor and services for the timber owner are not responsible for the Forest Excise Tax. When the owner of the timber cannot be determined, the landowner at the time of harvest will be responsible for the Forest Excise Tax.

When timber is harvested from **public** lands, the timber owner is the first person (other than the public entity) to acquire title or possessory interest to the timber.

Reporting Periods

Forest Excise Tax is paid quarterly. For private land the tax is due at the end of the month following the quarter in which the timber is harvested. For public land the tax is due at the end of the month following the quarter in which the purchaser is billed by the seller for the timber.

Quarter 1

January 1 through March 31 due April 30

Quarter 2

April 1 through June 30 due July 31

Quarter 3

July 1 through September 30 due October 31

Quarter 4

October 1 through December 31 due January 31

Penalties

Late filing penalties are due on returns if payment is not received by the due date.

Forest Excise Tax Return

The Department of Revenue will mail tax returns at the end of each quarter to all harvesters with active permits.

All harvesters with active permits must file a return each quarter until the harvest is completed and all tax has been paid.

The tax rate is 5% and is calculated on the stumpage value of the timber. Stumpage Value Tables are published by the Department of Revenue twice a year for those reporting on the Large Harvester return. Anyone who cuts less than two million board feet per calendar year has the option of using the Small Harvester return and calculates their tax based on the gross mill price minus the harvesting and marketing costs. For public harvesters, the taxable stumpage value is the actual amount paid for the timber in cash and other considerations.

Permits that are eligible for the EARR credit (Enhanced Aquatic Resources Requirements) receive a credit equal to 0.8% of stumpage value. Credit eligibility is determined by the Department of Natural Resources.

Harvesters owing tax less than \$50 (after EARR credit is applied) for the quarter (combined private and public land), are excused from payment of tax. However, they must complete and mail the return to the Department of Revenue.

If there is no harvest activity in a quarter, a "No Harvest" return must be filed to avoid delinquency. Check the No Harvest box (✓) on the Return and mail it to the Department of Revenue. Check the appropriate closure columns if the harvest is totally complete or no future harvest is to be reported.

You may also call our automated line at 1-800-547-9815 to report your "No Harvest" activity on a quarterly tax return.

Business and Occupation Tax (B&O)

Timber harvesting is considered a business activity under Washington law. If the gross receipts from sale of logs during the calendar year reach \$100,000, B&O tax is due on the gross receipts for the entire year. For more information, call 1-800-548-8829.

Records

For purposes of audit, the records used to determine the amount of tax due must be kept available for review by the Department of Revenue for five years (RCW 82.32.070).

For Help With Tax Returns

These locations have a professional forester available by appointment. Or you can call our toll free number 1-800-548-8829 for assistance over the phone.

District Offices

Everett

11627-B Airport Rd
Everett WA 98204-8714
(425) 356-2768

Olympia

Capital Plaza Building
1025 Union Ave SE
Suite 102
Olympia WA 98501
(360) 570-3203 or toll free
1-800-548-8829

Spokane

N. 4407 Division St
Suite 300
Spokane WA 99207-0248
(509) 937-4100

Tacoma

Home Street Bank
3315 S 23rd St Suite 300
Tacoma WA 98405-1685
(253) 597-5354

Vancouver

8008 NE 4th Plain Blvd Suite 320
Vancouver WA 98668
(360) 260-6273

Mailing Address:

Department of Revenue
Special Programs Division
Forest Tax Program
PO Box 47472
Olympia WA 98504-7472

For tax assistance, visit <http://dor.wa.gov>. To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users may call (800) 451-7985.